

Louisiana Statewide Transportation Plan Update



Freight Rail Advisory Council Meeting –
Round Three
Baton Rouge, LA

January 23, 2014

**CDM
Smith**

Agenda

Welcome/Introductions

Questions

Statewide Transportation Plan Update

- Revenue Scenario Discussion
- Policy Recommendations Discussion
- Megaprojects
- Plan Implementation Discussion
- Wrap Up/Next Steps

Louisiana State Rail Plan Update

STATEWIDE TRANSPORTATION PLAN UPDATE

Revenue Scenario Discussion

- 4 Scenarios developed – 1B, 2B, 3B and 4B
- Funding allocation based on Needs, Goals and Objectives
- To be approved by Executive Council and Policy Committee

Revenue Scenario Discussion

Scenario 1B “Baseline”:

- Business as usual, no new revenues or adjustments.

Scenario 2B “Reduction”:

- Dramatic reduction in Federal funds (AASHTO, 2012), State funds remain unchanged.

Scenario 3B “Modest Increase”:

- Increase in Transportation Trust Fund due to State vehicle sales tax revenue infusion in 2020, Federal funds remain unchanged.

Scenario 4B “Aggressive Increase”:

- State vehicle sales tax revenue infusion in 2020 + increase in Federal funds in 2020.

Revenue Scenario Discussion

NEEDS = \$47 Billion

Scenario 1B = \$18.6 Billion

Scenario 2B = \$16.1 Billion

Scenario 3B = \$28.1 Billion

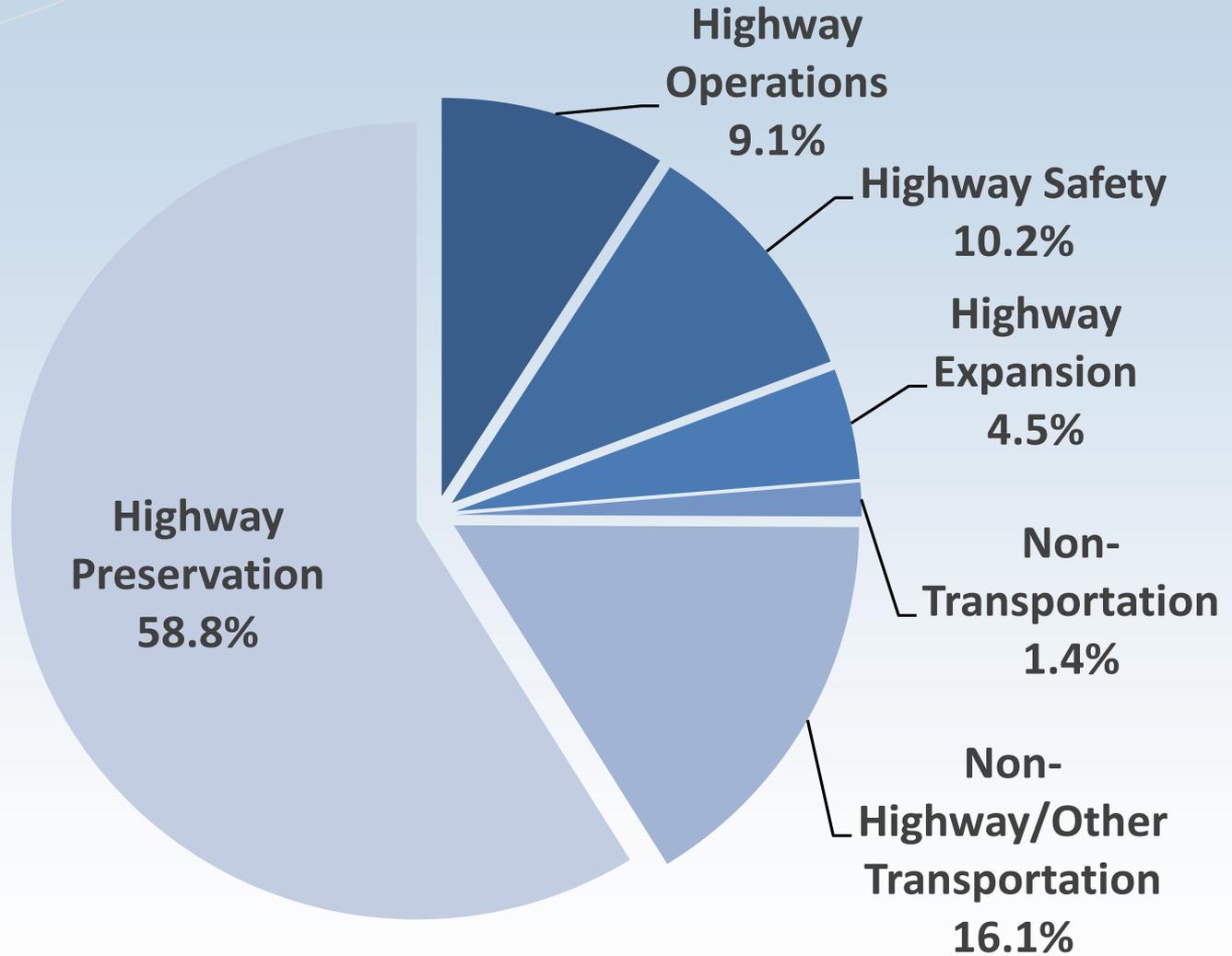
Scenario 4B = \$35.1 Billion



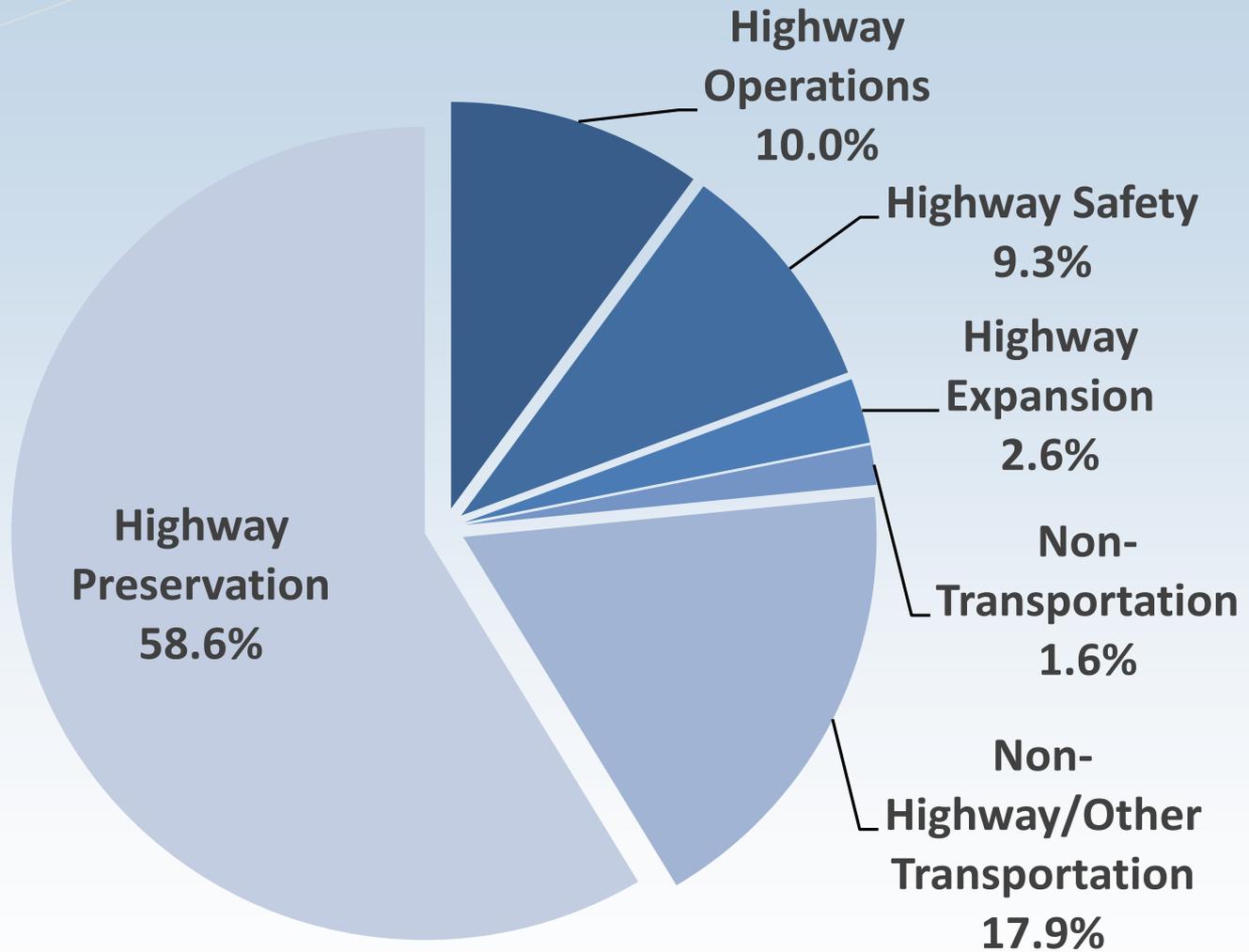
Revenue Scenario Discussion

Mode	Scenario Revenue Levels [FY 2012 – 2044] Constant 2010 Dollars, in Billions			
	1B	2B	3B	4B
Roadway & Bridge	\$15.6	\$13.4	\$24.5	\$31.0
Transit	\$1.8	\$1.5	\$1.8	\$2.3
Port	\$0.5	\$0.5	\$1.0	\$1.1
Aviation	\$0.7	\$0.7	\$0.7	\$0.7
Rail	\$0.0	\$0.0	\$0.1	\$0.1
Total (Billions)	\$18.6	\$16.1	\$28.1	\$35.1
Annual Average (Billions)	\$0.56	\$0.49	\$0.85	\$1.06

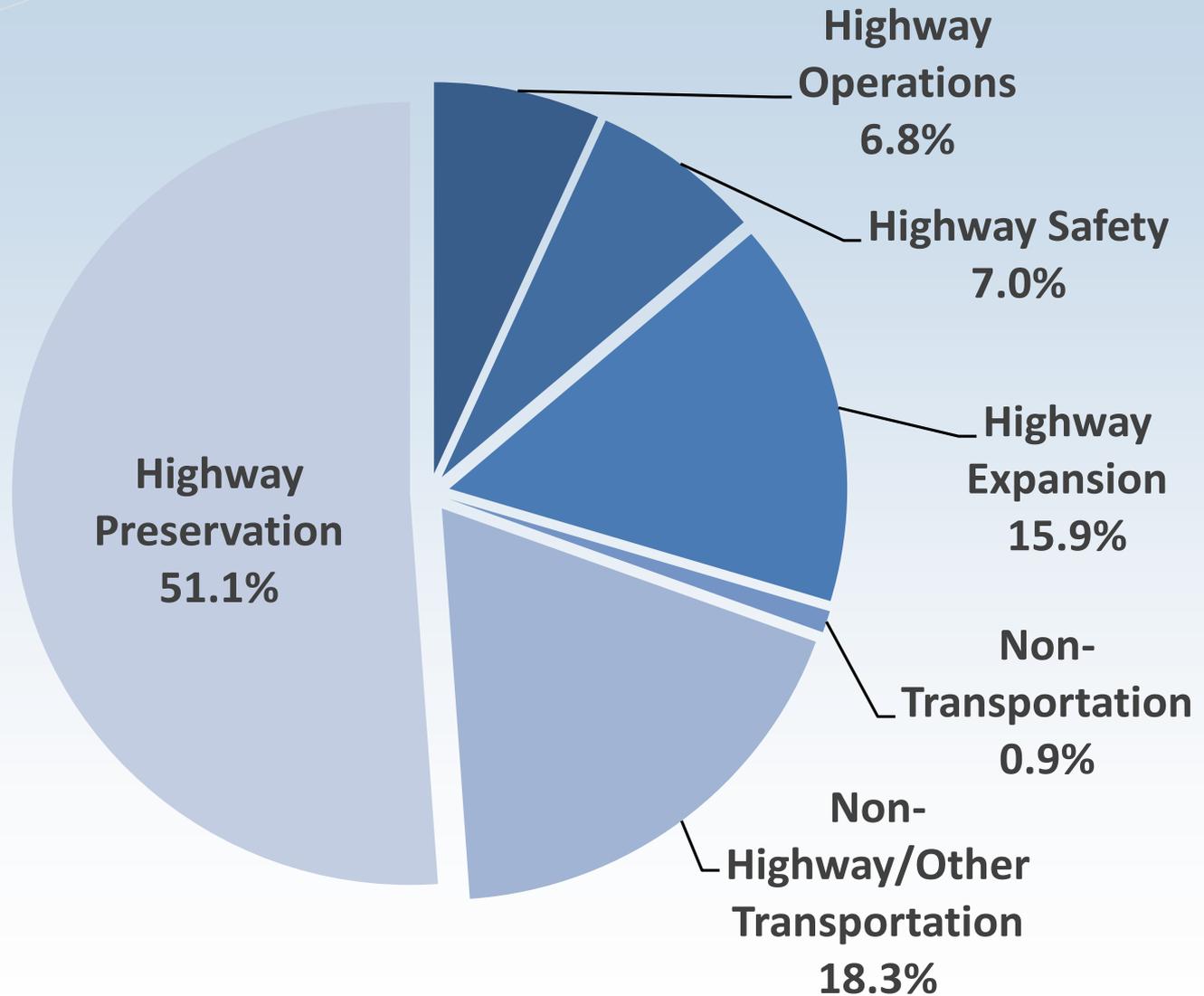
Scenario 1B – “Baseline” Allocation



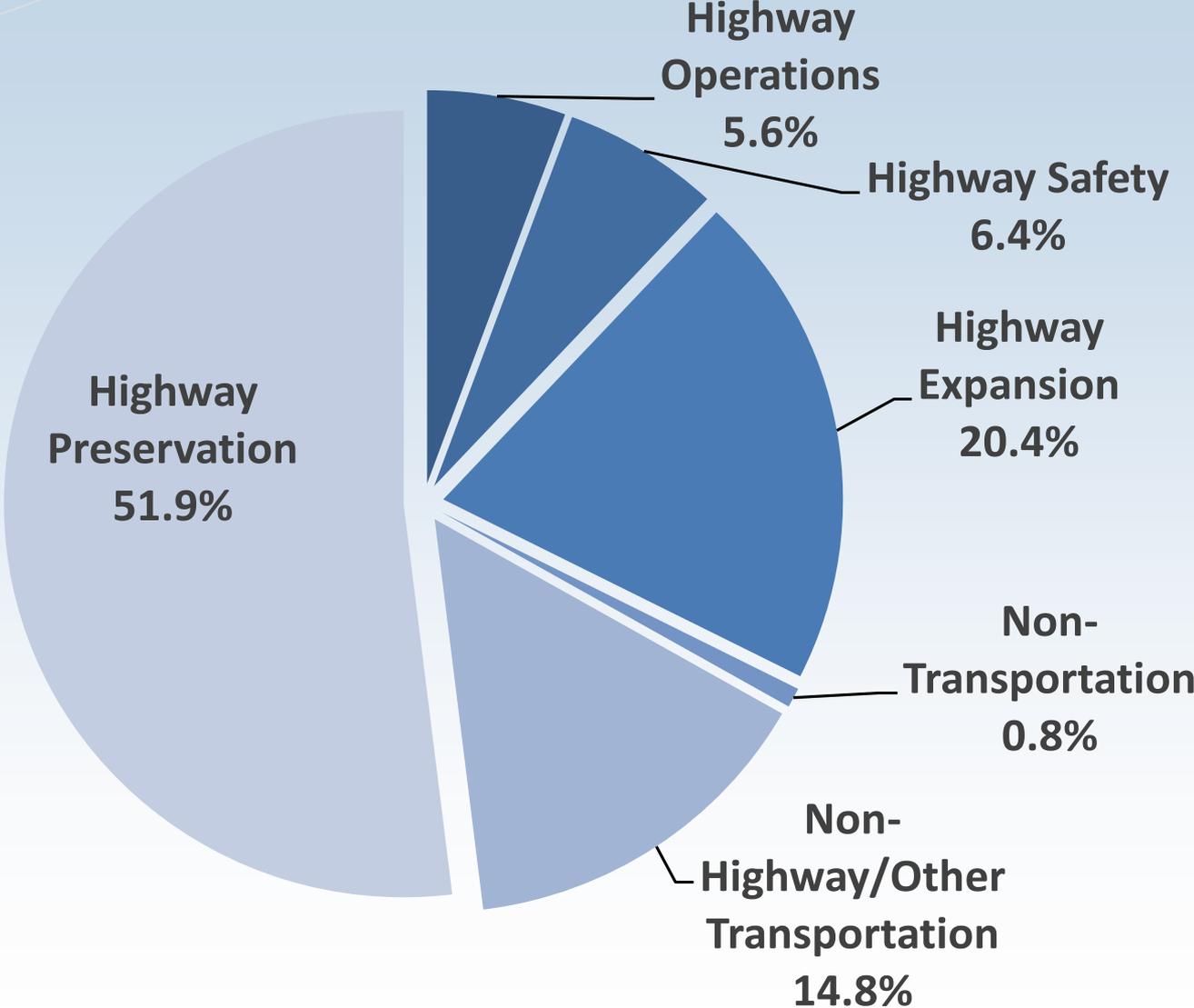
Scenario 2B – “Reduction” Allocation



Scenario 3B – “Moderate Increase” Allocation



Scenario 4B – “Aggressive Increase” Allocation



Budget Line Items by AC

- 2012 Distribution
- Forecasted Revenue for FY 2022, 2032, and 2042
- Four Scenarios
- Line item descriptions

Funding Gap

Needs versus Revenue [FY 2012-2044] = Funding Gap, in Billions

Mode	Needs	1B – “Baseline” Revenues	Funding Gap
Roadway & Bridge	\$28.2	\$15.6	\$12.6
Transit	\$7.2	\$1.8	\$5.4
Freight & Passenger Rail	\$2.0	\$0.0	\$2.0
Ports & Waterways	\$7.1	\$0.5	\$6.6
Aviation	\$2.6	\$0.7	\$1.9
Total	\$47.1	\$18.6	\$28.5

Funding Options



General Sales Tax: Replace the 20-cents-per-gallon motor fuel tax with an increase in the statewide sales tax on all items subject to the current Louisiana sales tax.



Motor Fuels Sales Tax: Convert the 20-cents-per-gallon gasoline tax to a statewide percentage sales tax applied to the value of the motor fuel purchased (or add a smaller sales tax).



VMT Fee: Assess a mileage-based, direct user fee to all driving on all roads.



Local Options: Local funding options such as local motor fuel taxes, local vehicle registration fees, property taxes, local option sales taxes, and local income taxes.



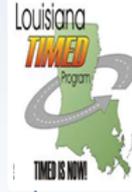
Advanced Transportation District: Regional tax districts which may be established to fund transportation projects.



Tolling: Fees directly imposed to utilize a specific facility.



Indexing Motor Fuel Taxes: Ties motor fuel taxes to an inflation index (eg. Cost of Living Index, Consumer Price Index.) allowing revenues to grow without legislative action.



Project Specific Tax: A sales or motor fuels tax for a specified period to cover the cost of one or more projects (eg. TIMED Program).



Registration Fees: Increase vehicle registration fees.



Violation Surcharge: A surcharge on certain traffic violations in addition to normal court-inflicted penalties with proceeds allocated to specific public programs (eg. transportation).

Funding Options Evaluation

Funding Option	Potential Yield	Sustainability
General Sales Tax	Moderate	High
Motor Fuels Sales Tax (% of Value)	Moderate	High
VMT Fee	High	High
Local Options	Moderate	Moderate
Advanced Transportation District	Low	Moderate
Tolling	Moderate	Moderate
Indexing	High	High
Project Specific Tax	Low	Low
Registration Fees	Moderate	Moderate
Violation Surcharge	Moderate	High

Source: CDM Smith, 2013

Revenue Scenario Activity

- Divide into 2 groups
- Review funding scenarios – choose most realistic scenario
- Discuss funding allocation and budgeted line items for chosen scenario
 - Would you re-allocate it? How?
- Review funding options to “fill the gap” – which ones do you think can be accomplished?
- Do you have other funding ideas?
- Report back to the group



Policy Recommendations

- Updated from October 2013 AC Meeting comments
- Organized by Goal area
- Added revenue scenarios
- Added budgeted line item if applicable
- Added cost category assumptions



Policy Recommendations

- Confirm ratings
- Confirm that the list of policies is complete
- Consider additional policy “topics”

Freight Rail Megaprojects, (\$Millions)

Name	Limits	Priority	Total Cost	\$ from DOTD
Rail	New Orleans Rail Gateway Project	B	\$700	\$100
Rail	BR to NO Intercity Passenger Rail	B	\$470	\$0
Rail	Shreveport to Dallas High Speed Passenger Rail	C	\$160	\$0

Plan Implementation Discussion

- What are the key items DOTD should focus on to implement the Statewide Transportation Plan?
- How should this plan be measured for success?
- How should DOTD and its partners (you) use this plan?



Wrap Up/Next Steps

- Megaprojects – Executive Council/Policy Committee Approval
- Policy Recommendations – Executive Council/Policy Committee Approval
- Draft Final Plan – Spring 2014
 - Advisory Council Review
- Final Plan – Summer 2014

LOUISIANA STATE RAIL PLAN UPDATE

State Rail Plan – Review

- AC 1 – March 2013
 - Current Conditions
 - State Rail Plan Purpose
 - Issues Identification
- AC 2 – October 2013
 - Identification of Needs, Short-range and Long-range
 - Potential Recommendations
- AC 3 – January 2014
 - Draft Louisiana State Rail Plan
 - State Rail Vision and Supporting Objectives
 - Program of Projects
 - Future Studies
 - Recommendations and Next Steps

Louisiana State Rail Vision

- The future Louisiana rail system will provide safe, reliable mobility for people and goods. In addition, it will contribute to a more balanced transportation system, economic growth, a better environment and energy conservation. The state's rail infrastructure and levels of service will expand to provide increased transportation efficiency, cost effectiveness, accessibility, capacity, and intermodal connectivity to meet freight and passenger market demands through an investment plan which includes public-private partnerships. Where safe and practical, the shared-use of rail rights-of-way for pedestrians and bicyclists will be encouraged. To further this vision, the state will take a leadership role in planning rail service improvements.*

Supporting Objectives

- **Freight Rail Objectives**

- Improve the interchange of Class I rail traffic in New Orleans.
- Increase the number of miles of track capable of 286,000-pound car weights on the state's short line railroads.
- Minimize accidents, injuries, and fatalities at highway-rail grade crossings in Louisiana through crossing closures, safety improvements and grade separations.
- Encourage economic development through investments in the rail system, e.g., improved access to marine and river ports, new intermodal facilities, and new industrial leads and spurs.
- Establish a designated Rail Program empowered to assist in funding rail improvements and to advocate for shippers.
- Leverage public-private partnerships for funding rail improvements.

Supporting Objectives (cont.)

- **Passenger Rail Objectives**

- Enhance existing services – maintain and improve existing stations.
- Engage the freight railroads in new passenger rail planning initiatives.
- Continue outreach to stakeholders.
- Develop funding strategies for passenger rail initiatives.
- Encourage multimodal integration.

Investment Program

Louisiana Rail Program of Projects	
Short-range Needs in Years 1-4	Cost in Millions
New Orleans Rail Gateway	\$49.7
286K upgrade for short lines	\$41.0
NOGC rail relocation	\$40.5
Station improvements	\$9.5
Crossing improvements	\$7.3
Grade separations	\$110.7
Shreveport - Dallas intercity rail	\$30.0
Baton Rouge - New Orleans intercity rail	\$75.0
Total	\$363.7
Long-range Needs in Years 5-20	Cost
New Orleans Rail Gateway	\$447.1
286K upgrade for short lines	\$164.0
NOGC rail relocation	\$229.5
Crossings	\$2.9
Other short line needs	\$51.5
Shreveport - Dallas intercity rail	\$270.0
Baton Rouge - New Orleans intercity rail	\$447.0
Total	\$1,612.0
Rail Program Total	\$1,975.7

Future Studies

- Intercity service between Shreveport and Meridian, which could extend Dallas/Fort Worth – Shreveport/Bossier City intercity service to Atlanta and East Coast cities.
- Intercity service on the KCS/UP line between Shreveport and Baton Rouge linked with new Baton Rouge – New Orleans intercity rail service.
- Also, transit connectivity with new intercity rail services should be explored as a means to enhance access to the services and reduce dependence on auto travel to and from stations. This could include new Thruway bus service linking Shreveport with the *Texas Eagle* in Texarkana, TX.

Recommendations and Next Steps

- Establish a Rail Program, with the primary mission of helping the state's railroads, and particularly short lines, secure federal funding for improvements, such as ensuring 286,000-pound carload capacity on lines where shippers demand it.
- Support the establishment of a state-funded Rail Retention and Infrastructure Program for helping to realize these improvements and maintaining lines in a state of good repair. This program could have a potential budget in a range of \$10 million to \$25 million per year.
- Continue to support the New Orleans Rail Gateway project and port-access improvements such as the Gulf Coast Rail Relocation project.

Recommendations and Next Steps (cont.)

- Continue to promote and enhance rail safety at crossings.
- Provide advocacy for rail shippers: helping to mediate disputes between shippers and their serving railroads.
- Continue to work with neighboring states on rail initiatives which benefit the region; continued participation in the Southern Rail Commission on both passenger and freight initiatives.
- Support the improvement of existing Amtrak services and Amtrak stations.
- Support the development of new intercity rail initiatives that enhance mobility options for Louisianans.

Thank you!



<http://www.dotd.la.gov/study/>



Dan Broussard
(Dan.Broussard@LA.GOV)